Alberta Economy

Indicators at a Glance

Real GDP by Expenditure

In 2015, Alberta's real GDP by expenditure fell by 3.6%, the largest drop among the provinces and the first decline in GDP since the 2009 global financial crisis. Nationally, real GDP grew by 0.9% in 2015, down from 2.6% in 2014.

Population

Alberta's population was 4,268,929 as of October 1, 2016. This was an increase of 1.6% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 6,594 in the third quarter of 2016. During this time, Alberta welcomed 10,444 net international migrants. However, there was a net outflow of interprovincial migrants (-3,850), the fourth consecutive quarterly decline.

Employment[1]

Alberta gained 1,300 jobs in February. The gains were in full-time positions and in self-employment. The goods sector expanded (+3,400) whereas the service industry contracted (-2,200). Employment declined 0.2% year-over-year (y/y).

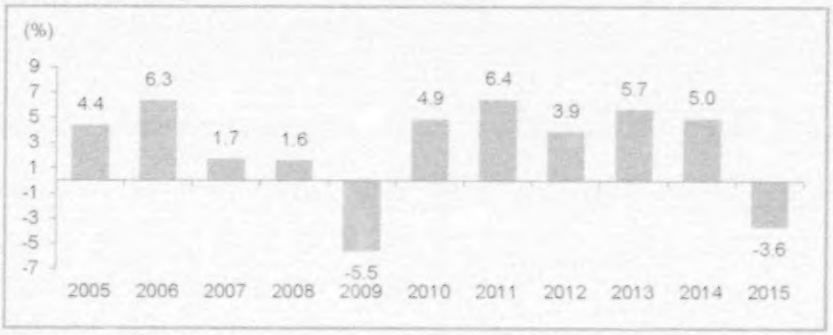
Unemployment Rate[1]

Alberta's unemployment rate declined to 8.3% in February. Canada's unemployment rate decreased to 6.6%.

Rigs Drilling

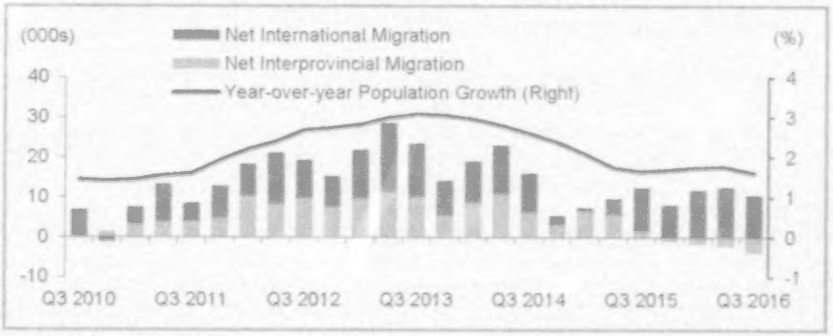
The number of active rigs in Alberta averaged 188 in February, up 67% y/y with only 43 per cent of rigs in use. There were 264 active rigs across Canada, up 43% y/y.

Real GDP by Expenditure
Annual, % change



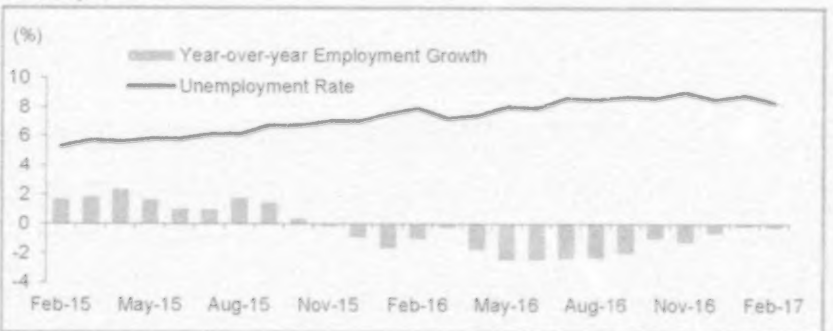
Source: Statistics Canada

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Alberta Government

March 17, 2017
Treasury Board and Finance
Economics and Revenue Forecasting

Inflation

The Alberta Consumer Price Index (CPI) rose 2.5% y/y in January. Gasoline prices were up 34% y/y while food prices fell 2.6% y/y. Rent also declined 1.9% y/y. Excluding food and energy, inflation was 1.9% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta increased 1.0% in December to $1,130. Compared with last year, Alberta's AWE declined 1.5%. Canadian AWE increased 1.0% m/m in December to $971.

Retail Sales[1]

Alberta retail sales increased 1.1% to $6.3 billion in December. After consistent weakness for nearly two years, sales were up 1.8% y/y.

Housing Starts[1s]

Alberta housing starts were up 40% m/m in February to 26,681 units (annualized). Housing starts increased 17% y/y, with gains in both multi-family (20% y/y) and single-family starts (27% y/y).

New Housing Price Index

Alberta's New Housing Price Index (NHPI) remained unchanged in January but was down 0.7% y/y. The house only component was down 1.5% y/y while land prices were up 0.9% y/y.

Building Permits[1]

Alberta building permits rose 46% m/m in January to $1.2 billion. Building permits were up 8.5% y/y. Non-residential permits were up 23% y/y while residential permits declined 2.5% y/y.

[1] Seasonally adjusted

Contact

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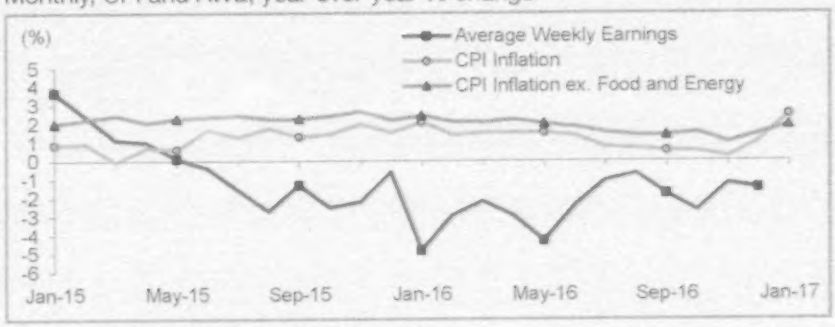
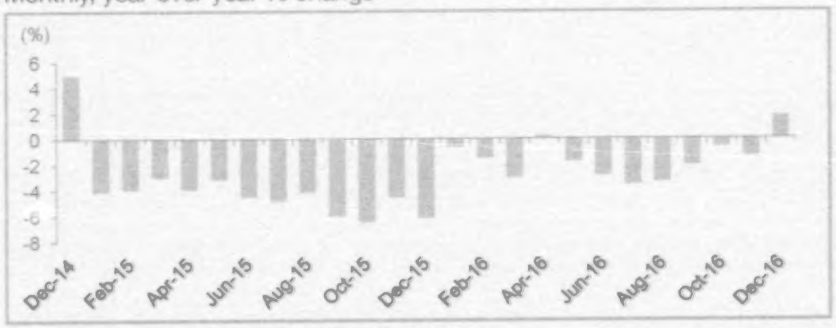
Inflation and Earnings
Monthly, CPI and AWE, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

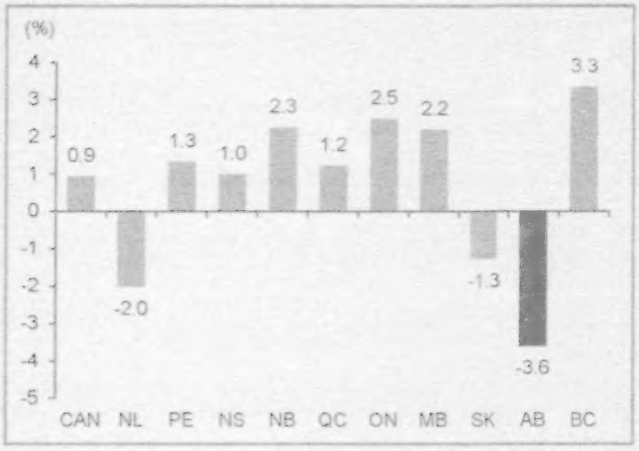
Housing Market
Monthly

Source: Statistics Canada

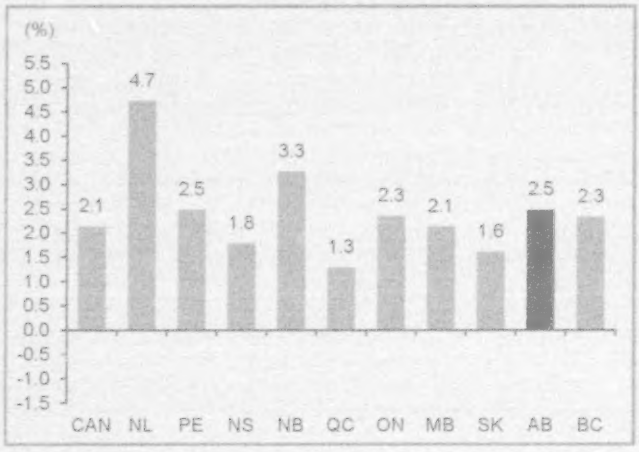
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (March 16, 2017)	75.10	48.75	2.90	2.75 (December)
Fiscal year-to-date	76.24	47.84	2.60	1.85

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

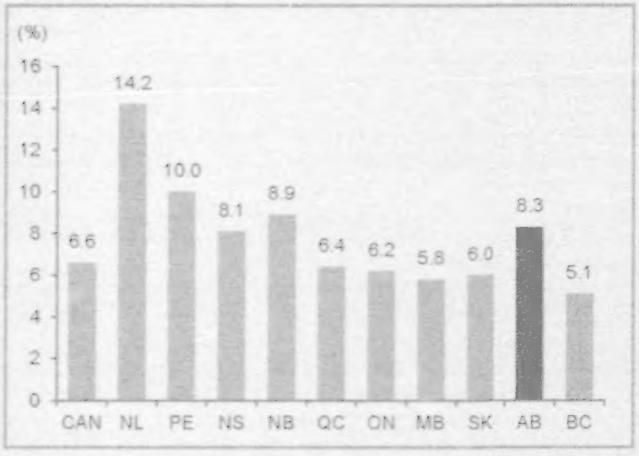
Real GDP by Expenditure
(2015, year-over-year growth)



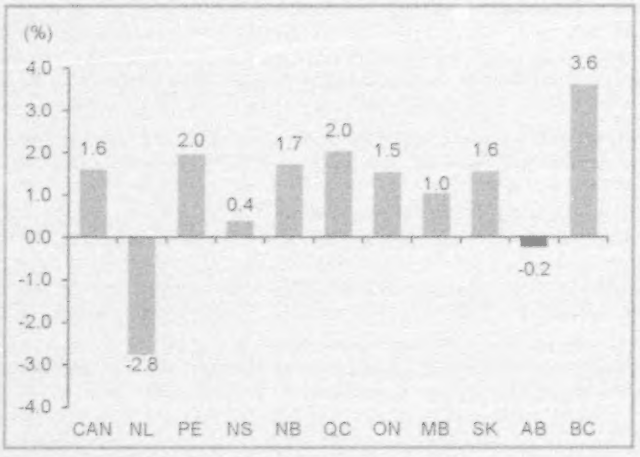
CPI Inflation
(January 2016, year-over-year growth)



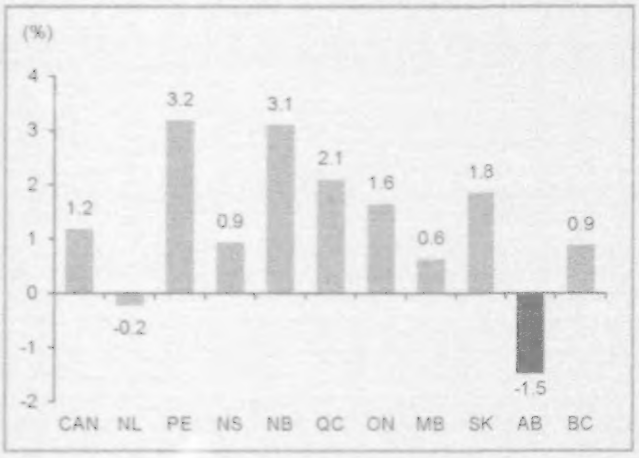
Unemployment Rate
(February 2017)



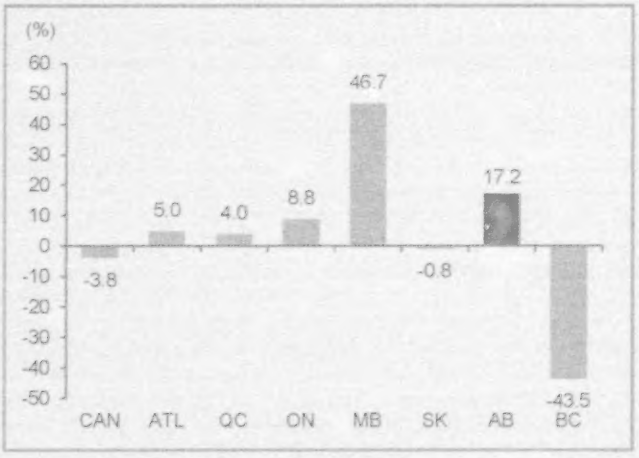
Employment
(February 2017, year-over-year growth)



Average Weekly Earnings
(December 2016, year-over-year growth)



Housing Starts
(February 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

Population[1]	2015	2016YTD	2017YTD	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
Population (thousands)	4,180	4,253	4,269		4,269				
y/y % change	1.7	1.8	1.6		1.6				
Net Interprovincial Migration	21,594	2,877	-3,850		-3,850				
Net International Migration	16,743	43,041	10,444		10,444				
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,266	2,265	2,274	2,262	2,267	2,268	2,269
m/m change (thousands)				12.4	8.7	-12.4	5.7	0.2	1.3
y/y % change	1.2	-1.6	0.2	2.0	-1.0	-1.2	0.6	0.1	0.2
Unemployment Rate (%, SA)	6.0	8.1	8.6	8.7	8.6	9.0	8.5	8.5	8.3
Participation Rate (%, SA)	73.0	72.5	72.7	72.8	73.0	72.9	72.7	72.9	72.5
Average Weekly Earnings ($, SA)	1,146	1,118		1,117	1,107	1,116	1,130		
y/y % change	0.3	-2.4		-1.8	-2.7	-1.2	-1.5		
Household Sector									
Retail Sales ($ million, SA)	74,989	73,766		6,127	6,186	6,196	6,264		
y/y % change	4.6	-1.6		-2.0	-0.6	-1.2	1.5		
NEW New Vehicle Sales (units, thousands)	242	224	15	21	17	19	16	15	
y/y % change	-12.7	-7.6	3.4	-10.4	-15.1	7.7	3.4	3.4	
Consumer Price Index (y/y % change)	1.1	1.1	2.5	0.5	0.5	0.2	1.0	2.5	
Excluding Food & Energy	2.3	1.7	1.9	1.4	1.5	1.9	1.4	1.9	
Housing Starts (SAAR, 000's)	37.3	24.5	22.8	29.2	25.6	25.1	26.7	19.8	26.7
y/y % change	-8.1	34.2	-8.9	-20.9	-18.5	-40.5	4.8	-18.6	17.2
New Housing Price Index (y/y % change)	0.7	-0.5	0.7	-0.7	-1.0	-0.8	-0.7	0.7	
NEW Resale Home Sales	52,477	52,169	9,640	4,448	4,749	3,974	4,670	4,754	5,086
y/y % change	21.3	-1.6	21.6	-4.4	7.2	-10.9	6.2	15.8	27.5
NEW Sales to New Listing Ratio	0.52	0.49	0.67	0.49	0.53	0.44	0.53	0.55	0.59
NEW MLS Average Resale Prices ($ thousands)	393	395	392	390	395	397	401	394	390
y/y % change	1.9	0.4	1.9	3.9	1.8	2.6	1.4	2.7	1.6
Consumer Bankruptcies (level)	4,280	5,427		458	440	465	401		
y/y % change	10.9	26.8		20.2	15.8	28.5	6.9		
Business Sector									
Goods Exports (customs based,$ million)	92,441	78,860	8,331	6,973	7,018	7,693	7,961	8,331	
y/y % change	24.0	-14.7	16.4	-12.9	3.5	13.8	9.2	16.4	
Energy Products ($ million)	62,500	51,516	5,986	4,747	4,647	5,360	5,576	5,986	
y/y% change	31.5	-17.6	25.5	-13.9	7.6	24.7	14.5	25.5	
Agricultural Products ($ million)	6,474	6,263	637	460	541	609	564	637	
y/y % change	0.2	-3.3	31.4	-2.5	1.4	7.5	2.1	31.4	
Rigs Drilling	120	39	194	80	102	108	151	199	188
y/y% change	52.6	-34.0	66.3	73.0	41.3	4.9	57.3	65.7	67.0
NEW Manufacturing Shipments ($ million,SA)	68,483	62,512	5,731	5,315	5,256	5,475	5,583	5,731	
y/y% change	13.9	-8.6	14.8	-4.5	-2.2	1.6	6.8	14.8	
Wholesale Trade ($ million, SA)	79,801	74,153		6,095	6,144	6,206	6,347		
y/y% change	6.0	-6.7		-6.2	-2.5	-2.7	0.1		
Building Permits ($ million, SA)	16,753	14,200	1,216	1,181	2,081	1,077	834	1,216	
y/y% change	6.2	-15.2	8.5	11.8	15.3	-5.7	-32.9	8.5	
Residential Permits ($ million, SA)	9,876	7,930	620	699	1,368	681	467	620	
y/y % change	8.6	-19.7	2.5	-2.0	26.1	-0.4	-35.2	2.5	
Non-Residential Permits ($ million, SA)	6,877	6,270	596	483	662	476	373	596	
y/y % change	7.4	-8.8	22.9	23.1	2.0	-11.6	-29.7	22.9	
Non-Res. Building Cons. Price Index[2] (y/y % change)	0.7	2.6		-2.6			2.2		
Business Bankruptcies	95	121		10	22	12	10		
y/y % change	4.5	27.4		11.1	214.3	50.0	25.0		

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy)

All historical data are subject to revision